

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2013-59-E

IN RE: Application of Duke Energy Carolinas,) DIRECT TESTIMONY OF SIDNEY
LLC for Authority to Adjust and Increase) KENNETH TUCK, JR., ON BEHALF OF
Its Electric Rates and Charges) THE COMMISSION OF PUBLIC
WORKS OF THE CITY OF
SPARTANBURG, SOUTH CAROLINA
AND THE SPARTANBURG
SANITARY SEWER DISTRICT,
INTERVENORS

1 **Q. PLEASE STATE YOUR FULL NAME, BUSINESS ADDRESS AND POSITION**
2 **OF EMPLOYMENT.**

3 **A.** My name is Sidney Kenneth Tuck, Jr. My business address is 200 Commerce Street
4 South Carolina 29304. I am employed with the Commission of Public Works of the City
5 of Spartanburg, South Carolina and the Spartanburg Sanitary Sewer District,
6 (hereinafter together as, "Spartanburg Water"), as Director of Water Treatment.
7

8 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
9 **EXPERIENCE.**

10 **A.** I hold a Bachelor's of Science Degree from Wofford College. I have been
11 employed by Spartanburg Water since 2001, and have almost 21 years of utility experience.
12

13 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY TODAY?**

14 **A.** My testimony is in support the Intervention of Spartanburg Water, in Docket 2013-59-E.

1 **Q. HAVE YOU REVIEWED THE DIRECT TESTIMONY OF JEFFREY R.**
2 **BAILEY, OF DUKE, THAT WAS PRE-FILED IN THIS DOCKET?**

3 **A.** Yes.
4

5 **Q. DO YOU BELIEVE THE DIRECT TESTIMONY OF MR. BAILEY, JUSTIFIES**
6 **THE REQUESTED INCREASE TO RATE SCHEDULE MP? IF NOT, PLEASE**
7 **EXPLAIN.**

8 **A.** No. Mr. Bailey's Testimony does not, among other things, provide testimony to
9 this Commission explaining and supporting the proposed increase to Rate Schedule MP. In
10 fact, Mr. Bailey's Testimony briefly mentions, but does not support an increase in Rate
11 Schedule MP.
12

13 **Q. DOES DUKE'S PROPOSED INCREASE IN SCHEDULE MP CAUSE YOU**
14 **CONCERN? IF SO, WHY?**

15 **A.** In Duke's 2009 rate case, Duke petitioned to close Schedule MP and migrate customers taking
16 service on that rate to other rates offered by Duke. The PSCSC approved a settlement in the
17 2009 rate case in which existing Schedule MP customers were allowed to continue to take
18 service on that rate Schedule, but the Schedule MP would no longer be open to any other
19 customers. In the current rate case filing, it can be fairly argued that Duke is attempting to
20 raise the Schedule MP rates so high that existing customers voluntarily leave Schedule MP.
21 Put another way, Duke is attempting to price customers off Schedule MP, so that Duke can
22 achieve its goal from the 2009 rate case and close this rate entirely.
23

24 **Q. HOW IS YOUR EXPERIENCE DIRECTLY RELATED TO THE SUBJECT**
25 **MATTER OF THIS DOCKET?**

26 **A.** My 21 years of experience in the utility field, along with my review of Duke's
27 Application filed in this Docket, and my review of the impact of
28 Duke's filing for an increase, *inter alia*, of the Rate Schedule MP, places me in a
29 position to testify competently in this matter.

1 **Q. PLEASE PROVIDE A SUMMARY OF SPARTANBURG WATER'S**
2 **OPERATIONS.**

3 **A.** Spartanburg Water consists of the Commission of Public Works of the City of
4 Spartanburg, South Carolina and the Spartanburg Sanitary Sewer District. These entities
5 provide water and wastewater services to more than 200,000 residents.
6

7 **Q. PLEASE DESCRIBE THE GEOGRAPHIC LOCATION OF**
8 **SPARTANBURG WATER'S OPERATION.**

9 **A.** Spartanburg Water serves approximately thirty communities, including the entire City of
10 Spartanburg. Those communities are located in four Counties, spanning from NE Greenville
11 County, Spartanburg, Cherokee and Union Counties.
12

13 **Q. PLEASE PROVIDE A SUMMARY OF SPARTANBURG WATER'S**
14 **ACCOUNTS WITH DUKE.**

15 **A.** Spartanburg Water has approximately 155 accounts with Duke, thirteen of which are affected by
16 the proposed increase to the Rate Schedule MP and its annual energy costs from Duke, exceed
17 2.58 million dollars.
18

19 **Q. WILL SOME OF SPARTANBURG WATER'S CUSTOMERS SUFFER A DOUBLE**
20 **FINANCIAL IMPACT, IF DUKE'S REQUEST INCREASE IS GRANTED?**
21 **IF SO, PLEASE EXPLAIN.**

22 **A.** Yes. Some of our customers are customers of both Spartanburg Water System and
23 Spartanburg Sanitary Sewer District.

1 **Q. WILL DUKE'S PROPOSED IMPLEMENTATION DATE IMPACT**
2 **SPARTANBURG WATER'S OPERATIONS? IF SO, PLEASE EXPLAIN.**

3 **A.** Yes. It is important to note that Spartanburg Water's fiscal year runs from July 1 through
4 June 30th. As a result, unless the Commission of Public Works of the City of Spartanburg,
5 South Carolina and the Spartanburg Sanitary Sewer District enacts a special rate hike to pay for
6 just this rate increase from Duke, Spartanburg Water will have to absorb this rate increase until
7 July 1, 2014, as the current fiscal year budget has already been voted on.
8

9 **Q. PLEASE SUMMARIZE SPARTANBURG WATER'S POSITION IN THIS DOCKET.**

10 **A.** Spartanburg Water opposes the amount of rate increase sought by Duke, in general and
11 Spartanburg Water specifically opposes Duke's requested increase to Rate Schedule MP.
12 Duke has not provided evidence to this Commission, supporting the requested increase to Rate
13 Schedule MP, and the requested implementation date will inconvenience Spartanburg Water.
14 Since the last rate case in 2011, Spartanburg Water has taken a proactive approach to optimizing
15 facility operations and taking advantage of energy efficiency opportunities as they arise, to ensure
16 that Spartanburg Water is accountable to our ratepayers. Spartanburg Water would like Duke to
17 justify an increase to Schedule MP and Spartanburg Water would like to see a significant decrease
18 in any increase to Schedule MP, to ensure that financial hardships are not transferred to customers
19 of Spartanburg Water's over 200,000 customers, by indirect action of this Commission.
20

21 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

22 **A.** Yes.